

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 3249 - SB 3541

February 16, 2012

SUMMARY OF BILL: Changes, from two years to one year, the time period a student is required to have been a home school student immediately preceding graduation from high school in order to be eligible for a HOPE lottery scholarship.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$54,000/FY12-13/Lottery for Education Account
\$80,000/FY13-14/Lottery for Education Account
Exceeds \$80,000/FY14-15 and Subsequent Fiscal Years/
Lottery for Education Account**

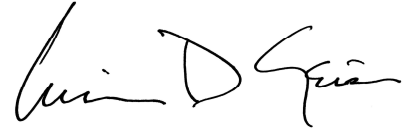
Assumptions:

- The Tennessee Student Assistance Corporation (TSAC) estimates that 12 home school students will be impacted.
- TSAC estimates that in FY12-13, 80 percent (10) will attend a four-year institution and receive a \$4,000 HOPE scholarship for a total of \$40,000 (\$4,000 x 10). Twenty percent (2) will attend a two-year institution and receive a \$2,000 HOPE scholarship for a total of \$4,000 (\$2,000 x 2). Five students will attend courses in the summer and receive a \$2,000 HOPE scholarship for a total of \$10,000 (\$2,000 x 5).
- The increase in state expenditures from the Lottery for Education Account in FY12-13 will be \$54,000 (\$40,000 + \$4,000 + \$10,000).
- In FY13-14, TSAC estimates that 54 percent of students in FY12-13 will renew their scholarships. Of these, five will attend a four-year institution for a total of \$20,000 (\$4,000 x 5); one will attend a two-year institution for a total of \$2,000; and two will attend summer courses for a total of \$4,000 (\$2,000 x 2). The increase in state expenditures for renewals in FY13-14 will be \$26,000 (\$20,000 + \$4,000 + \$2,000).
- There will also be a new cohort of 12 students in FY13-14, who will receive a total of \$54,000 (same as the FY12-13 cohort).
- The total increase in state expenditures from the Lottery for Education Account in FY13-14 will be \$80,000 (\$26,000 renewals + \$54,000 new cohort).
- The increase in state expenditures from the Lottery for Education Account in FY14-15 and subsequent fiscal years will exceed \$80,000.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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